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DEPARTMENT OF STATE

Memorandum of Conversation

DATE: October 15, 1951

SUBJECT:

PARTICIPANTS: The Honorable Jefferson Caffery, U.S. Ambassador to Egypt
Mr. John H. Ferguson, Policy Planning Staff, Department of State

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I spent ~~two days in Alexandria with the Ambassador and two days in Cairo with him on~~ his return. In the course of a number of conversations the following principal points seemed to me to emerge:

1. Ambassador Caffery felt that if it had been possible to present the proposals to the Egyptians late in August or early in September there might have been some chance of averting the parliamentary action. He did not feel that the failure to present the proposals on October 8 had made any difference, since by that time he was convinced the Egyptian Government had decided to move in Parliament and would not have been stopped.

2. He felt very strongly that if our interest was in securing Egyptian adherence to the proposals, we had made a very bad mistake in going ahead with the presentation of the proposals after the decrees had been submitted to Parliament. Both the British and French Ambassadors with whom I talked concurred completely with Ambassador Caffery on this point. I explained to him I thought the decision to go ahead must have been the result of a feeling in Washington that it was necessary to have the proposals made in order to provide a basis for dealing with the situation in Egypt in the event

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that Parliament passed the abrogation law. The reasons for the Department's decision to go ahead had not been given to Mr. Caffery and he was only aware of our repeated statements that the principal object was to secure adherence to Egypt to the proposals.

3. Mr. Caffery felt that it would be both useless and unhelpful to attempt to open negotiations with respect to the proposals until some time had passed. The situation in Egypt and the present popularity of the government were such that there would be no disposition on the part of the Egyptians seriously to consider any proposals at the present time. He did feel that an occasion might occur later since the Egyptians usually became bored with any particular problem and were unable to sustain any very long-term interest or emotion.

4. The Ambassador felt that the British were quite right in their feeling of confidence that they could maintain themselves at the bases, but he did think there was a possibility of real trouble in connection with the 30-odd thousand British nationals living largely in Cairo and Alexandria. It would be difficult, he thought, to give these British nationals adequate protection in the event of any serious outburst.

5. The Ambassador thought that the Egyptian Government would attempt to hold down disorders because it was in the Government's interest to do so and thus avoid a provocation which might lead to broadened British military action against Egypt. He was sure that the Egyptian Government had rushed into the abrogation without very much thought concerning the consequences and without any real assessment of the relative weakness of the Egyptians to carry out their laws. He thought that undoubtedly the Egyptians had been affected in their decision by the British decision not to use force in Iran and that the Egyptians were probably assuming that the British would back down in Egypt.

6. Ambassador Caffery's relations with the King and various members of the Egyptian Government have remained quite good. The King has made several efforts in the past few weeks to indicate his continued friendliness toward Americans by having his picture taken at several events with Ambassador Caffery and by including the Ambassador in invitations to foreign representatives for a variety of functions including the Mediterranean Games, which were being held in Alexandria during the week beginning

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October 15. He thought the King would like to come to some agreement with respect to the Allied proposals but that the King was certainly not going to buck public opinion and the present government at this time. The King was interested in maintaining himself on the throne and, while he did not particularly like the present government, he was in no position to remove it now. The King had insisted upon parliamentary approval of the "Fortunes Bill" as a possible lever against the Wafd in the future, since it was widely understood that the various Wafd officials would be exposed as having engaged in a considerable amount of corruption. Anything the King would do on this score, however, could not be done immediately.

7. Ambassador Caffery recognized the very violent anti-British feeling in Egypt and emphasized the fact that Egyptians were much less concerned with the Soviet menace than with the presence of British troops in Egypt. It was going to be very difficult, he felt, to ever secure arrangements which would permit stationing of large British forces there, and in order to achieve anything some method would have to be devised by which it would appear that a sizeable number of British forces were being evacuated. He thought it would be difficult for the British to manage this prior to Egyptian agreement on the proposals and difficult for Egypt to manage agreement on the proposals prior to something that looked like evacuation. It all depended, he thought, on developments of the next few weeks and months and the possibility that the attitudes and situations might change.

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S/P:JHFerguson:hh
October 22, 1951